

## STATE PROPERTIES COMMITTEE

Tuesday, June 20, 2006

The meeting of the State Properties Committee was called to order at 10:07 a.m. by Chairman Jerome F. Williams. Other members present were Mr. Robert Griffith representing the Rhode Island Department of Administration and Genevieve Allaire Johnson, Esquire, representing the Department of Attorney General. Also in attendance were Marlene McCarthy Tuohy and Kevin Nelson from the Rhode Island Department of Administration; Robert B. Jackson, James O'Connor, Grace Smith, Valeria Bianco, Paul Carcieri, Richard Kalunian, Janice E. Loiselle, Michael D. Mitchell, Maureen McMahon and William McCarthy from the Rhode Island Department of Transportation; John Faltus, Joseph Dias and Brian Tefft from the Rhode Island Department of Environmental Management; Deborah Barclay from the Rhode Island Department of Human Services; Lynne McCormack and Jenny Peek from the City of Providence; Richard DelFino from the Rhode Island Department of Corrections; Francis Gaschen from the Rhode Island Commission of Human Rights; Michael DiMascolo from the State Fire Marshal's Office; Kelly Coates from Carpionato Corporation; Thomas V. Moses from Moses Alfonso Jackvony, Ltd. and Mercedes Monteiro from the Historical Perservation & Heritage Commission.

NEW BUSINESS – Miscellaneous – The next meeting of the State Properties Committee is scheduled to be held on Wednesday, July 5, 2006.

A motion was made to approve the minutes from the State Properties Committee meeting of June 6, 2006, as corrected at page 16 relative to the ticket price for the WBRU

Summer Concert Series by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

A request was made by Marlene McCarthy Tuohey of the Department of Administration and Lynne McCormack of the City of Providence for a special meeting of the State Properties Committee concerning permission to license Station Park for a live concert on July 2, 2006. Chairman Williams indicated that the Department of Environmental Management may also have an item for the special meeting. Chairman Williams suggested Friday, June 23, 2006, for the special meeting of the State Properties Committee.

ITEM A – Department of Administration – A request was made for permission to utilize the parking lots located on the corner lot on State Street for a fireworks display by the City of Providence on July 3, 2006, with a rain date of July 4, 2006. The City of Providence also requested permission to utilize Station Park for the Rhode Island Philharmonic celebration. Ms. McCormack explained that last year the City of Providence celebrated the Fourth of July by hosting a fireworks display. This year the City of Providence would like to expand the celebration to include a concert by the Grammy nominated Plena band, Plena Libre and a Pops Concert by the Rhode Island Philharmonic. Ms. McCormack indicated that the City of Providence has consulted with Michael DiMascolo of the State Fire Marshal's Office concerning the fireworks display and a City of Providence service meeting is scheduled next week for purposes of discussing trash removal and policing for the event. Chairman Williams asked if there is a schematic of the concert available for the Committee members' review as it appears the City of Providence is expecting a significant number of spectators to attend the concert

event. Ms. McCarthy Tuohy indicated that a layout of the concert event is forthcoming. Ms. McCormack indicated a layout should be available in time for the special meeting of the State Properties Committee. Chairman Williams asked which parking lot the City of Providence will utilize. Ms. McCarthy Tuohy indicated that the City of Providence is requesting use of both the Department of Health and Department of Transportation parking lots. Chairman Williams suggested that the fireworks be set up in the Department of Health parking lot to keep the Department of Transportation parking lot available for employees. Ms. McCormick stated that she will be requesting the City of Providence's Traffic Engineering Department and Financial Department relax parking meters on the day of the event on Smith Street and along the side of the Department of Administration. Chairman Williams asked Ms. McCormack to clarify what the City of Providence is seeking approval for at this meeting. Ms. McCormick indicated that the City of Providence is seeking approval for the use of the parking lots on State Street and also use of Station Park for a concert featuring Plena Libra and a Pops' Concert by the Rhode Island Philharmonic on July 3, 2006, with a rain date of July 4, 2005. Chairman Williams asked whether the license agreement has been prepared and whether liability insurance naming the State of Rhode Island as an additional insured has been obtained. Ms. McCarthy Tuohy indicated that Mr. Mitchell was preparing the license agreement and Mr. Stoile, who represents the City of Providence, will obtain the liability insurance. Mr. DiMascola apologized to the Committee for being late, and indicated that he has received all the documentation regarding the fireworks display. Mr. DiMascola indicated he has prepared a schedule of how the area will be secured during the event. Chairman Williams asked Mr. DiMascola if the fireworks display will require both parking lots, or

whether the fireworks can be delivered to the Department of Health parking lot so that the Department of Transportation parking lot can be left open for employees. Mr. DiMascolo indicated that in the past it has been necessary to secure both parking lots because an area of two hundred and ten (210') feet is required for the fireworks display. Ms. McCormack asked Mr. DiMascolo if one lot could be used to set up the fireworks display and then secure the second lot after the work day has ended. Mr. DiMascolo indicated that in the past there have been problems ensuring that all automobiles are removed from the second lot. Mr. DiMascolo indicated that if everyone is out of the building and parking lot by 5:00 p.m., the lower parking lot can be utilized during the workday. Mr. DiMascolo indicated that in the past, Chief Tocco has posted an officer in the upper parking lot to ensure no automobiles parked in the lot. As a special meeting of the State Properties Committee will be held on Friday, June 23, 2006, Chairman Williams suggested that Ms. McCarthy Tuohy speak to Chief Tocco to make parking arrangements which meet the requirements relative to the fireworks display but will not inconvenience those individuals who park in the lot.

A motion was made to grant conceptual approval to the City of Providence for permission to utilize the parking lot(s) located on the corner lot on State Street by the City of Providence on July 3, 2006, with a rain date of July 4, 2006, and also use of Station Park for the Rhode Island Philharmonic celebration by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM B – Department of Human Services - A request was made for approval of a Sublease Agreement between the Department of Human Services and the Greater

Providence YMCA for the operation of a traditional on-site child care facility at the Providence Regional Family Center, 206 Elmwood Avenue, Providence, Rhode Island. Ms. Barclay explained that the on April 11, 2006, the State Properties Committee granted conceptual approval to enter into a five (5) year sublease agreement with the Greater Providence County YMCA. Ms. Barclay indicated she recently forwarded a copy of the final Sublease Agreement to Ms. Allaire Johnson. Ms. Barclay explained that initially the Sublease Agreement was for a term of five (5) years with two additional one (1) year extensions; however, the Greater Providence County YMCA informed the Department of Human Services that its Board members were discussing different business models and are unsure as to what direction they wish to go in. The Department of Human Services believes it is prudent to enter into a one (1) year sublease rather than a five (5) year sublease with two additional one (1) year extensions. Therefore, if their model does not reflect what the Department of Human Services wants to see in the child care center, then the Department would have the option to go out and potentially bid for another contractor for the child care center. However, if the Greater Providence County YMCA decides to continue their business model, the Department of Human Services would request that they enter into a five (5) year sublease agreement with two additional one (1) year extensions. Ms. Barclay indicated that the childcare center provides services to employees of the Department of Human Services and neighborhood children whose parents are in transition from welfare to work as well as low-income working families. Chairman Williams asked who was responsible for repairs and maintenance within the facility. Ms. Barclay indicated that the owner of the building is responsible for repairs

and maintenance. A motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson. Ms. Barclay stated that the Sublease Agreement has not yet been signed by the Greater Providence County YMCA; however, she expects to receive the executed Sublease Agreement within the next couple of days. Therefore, Ms. Barclay asked that the Committee approve the Sublease Agreement subject to its being executed by the Greater Providence County YMCA. Mr. Griffith amended his previous motion to include language that the Sublease Agreement must be signed by the Greater Providence County YMCA, and the amended motion was seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM C - DEPARTMENT OF HUMAN SERVICES - A request was made for approval of a Sublease Agreement between the Department of Human Services and Capital City Community Centers, Inc. for the continuation of an operation of a traditional on-site child care facility located at the Woonsocket Regional Family Center, 450 Clinton Street, Woonsocket, Rhode Island. Ms. Barclay explained that this Sublease Agreement is a renewal of the previous sublease and it virtually identical to the Sublease Agreement between the Department of Human Services and Greater Providence County YMCA. Ms. Barclay provided Ms. Allaire Johnson with a copy of the insurance certificate from the owner of the building. A motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM D – DEPARTMENT OF HEALTH – This item was deferred to the July 5, 2006, State Properties Committee.

ITEM E – DEPARTMENT OF TRANSPORTATION – A request was made for approval of and signatures on temporary and perpetual easements with 100 Sockanosset, LLC over State land located adjacent to Howard Service Road in Cranston, Rhode Island. Ms. Smith explained that 100 Sockanosset, LLC has undertaken a development project along Sockanosset Crossroad and Howard Service Road. Several encroachments were discovered on State land adjacent thereto. More specifically, there was some cutting of vegetation in a wetland area and the digging of a drainage trench. The encroachments were more or less inadvertent, and occurred during construction for which there was no economic gain to the contractor. 100 Sockanosset, LLC has been working with the Department of Transportation, the Department of Environmental Management and the Federal Highway Administration since the issues came to light and a restoration plan has been devised and approved by the Department of Transportation. Additionally, the Department of Transportation's Design Section and the Federal Highway Administration will monitor the restoration plan. They will have final approval and sign off when the plan is complete. The temporary construction easement is over approximately two thousand six hundred fourteen (2,614) square feet for the placement, installation and construction of a tie-in for drainage purposes. The term of the temporary easement is for one (1) year from July 1, 2006 to June 30, 2007. The price of the temporary easement, as set by appraisal, is Two Thousand Six Hundred Fourteen and 00/100 (\$2,614.00) Dollars. The perpetual easement is over approximately one thousand three hundred seven (1,307) square feet to operate, access, maintain, repair and replace the easement facilities. The term of the perpetual easement commences on July 1, 2007, or at the completion of the temporary construction easement term. The price of the perpetual easement is Three

Thousand Nine Hundred Twenty-One and 00/100 (\$3,921.00) Dollars. Chairman Williams asked how long the encroachments have existed. Ms. Smith indicated that the Department of Transportation discovered the encroachment approximately one (1) year ago and it is the Department of Transportation's understanding that the encroachments occurred at that time. Chairman Williams asked Mr. Coates how much of a restoration plan is necessary and how extensive is the plan. Mr. Coates indicated that the State of Rhode Island has never maintained the drainage facilities for Route 37. Mr. Coates explained that water ran off of Route 37. The water filled the drainage ditch and overflowed into the Citizens Bank parking lot causing approximately Thirty Thousand and 00/100 (\$30,000.00) Dollars in damage to the automobiles owned by Citizen Bank's employees. 100 Sockanosset, LLC informed Mr. Parker of the Department of Transportation. Mr. Parker instructed 100 Sockanosset, LLC to submit a restoration plan and indicated the Department of Transportation would obtain emergency approval of the plan. 100 Sockanosset, LLC's Construction Department began the restorations without the plan. At that time, 100 Sockanosset, LLC was before the State Properties Committee seeking approval for construction at Howard Avenue. Simultaneously, the Federal Highway Administration approached 100 Sockanosset, LLC and inquired whether there was a permit for the construction. The Department of Transportation indicated there was not a permit for the construction. As a result, the Department of Transportation cut the drainage ditch, but it was never finished. The Federal Highway Administration became concerned that it would be in violation of the Rhode Island Department of Environmental Management statutes. The Rhode Island Department of Environmental Management investigated the ditch and determined there was no violation. However, as a result of last



year's heavy rain and flooding, it was determined that the ditch contained silt. Mr. Coates indicated that the State of Rhode Island has never maintained the drainage ditch. Mr. Coates stated that none of the trees were ever cleared which resulted in the overflow of water into the Citizens Bank parking lot. Mr. Coates stated that most of the work on the ditch has already been done with the exception of adding crushed stone to ensure the flow of water remains clear. Chairman Williams asked if the location of the perpetual easement is near Citizens Bank. Mr. Coates indicated that the perpetual easement is not near the building; it is at the end of the parking lot. Chairman Williams asked why a perpetual easement is needed. Mr. Carcieri explained that there is a parking lot utilized by 100 Sockanosset, LLC, which is being tied into the existing State of Rhode Island drainage system. Mr. Carcieri explained that there is a sliver of State owned property between the Citizens Bank parking lot and the State of Rhode Island's maintenance ditch which is not connected to the drainage ditch. The run of the easement is over property controlled by the Department of Transportation. The reason it is an easement is because this is one of twenty-one designated highways under the Department of Transportations Easement Regulations, which compel the Department of Transportation to grant an easement. The easement connects the Citizens Bank parking lot to the Department of Transportation's drainage structure. Chairman Williams clarified that the easement benefits the Citizens Bank parking lot. A motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM F – DEPARTMENT OF TRANSPORTATION – A request was made for conceptual approval for the sale of ten thousand (10,000) square feet of property located

at 95 Riverside Avenue in the Town of Portsmouth. Mr. Jackson explained that the site is encumbered with an encroachment consisting of a two-story garage structure. A building permit was issued to the abutting property owners, Jeremiah and Virginia Lowney in 1989, by the Town of Portsmouth. Chairman Williams asked when the garage was erected. Mr. Jackson indicated that the Town of Portsmouth issued a building permit to the Lowneys to build the garage in 1989. Chairman Williams recommended that Mr. Jackson investigate the encroachment and determine whether additional funds are due the State of Rhode Island as a result of this long standing encroachment. A motion to approve was made by Mr. Griffith and seconded by Ms. Allaire Johnson

Passed Unanimously

ITEM G – DEPARTMENT OF TRANSPORTATION – A request was made for approval of and signatures on an Agreement to Purchase and a Quit Claim Deed between the Department of Transportation and Briar Ledge Homes for approximately 0.34 acres of land located on Airport Road between Tom Harvey Road and Winnepaug Road, Westerly, Rhode Island. Briar Ledge Homes will use the parcel of land for purposes of parking, improvement and beautification in conjunction with its plan to build residential town-homes. Ms. Bianco explained that the applicant, Briar Ledge Homes, is the only abutter to the subject property. There are no former owner issues as the former owner conveyed this property by deed to the Department of Transportation in 1960. A motion was made to approve by Mr. Griffith and Seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM H – DEPARTMENT OF TRANSPORTATION – A request was made for conceptual approval to solicit privately owned office space for the Rhode Island Department of Transportation Office of Highway Safety. Mr. Carcieri explained that the Office of Highway Safety will be vacating the current Traffic Tribunal office located on Harris Avenue, Providence, Rhode Island, which is being relocated to a new facility in Cranston. The Office of Highway Safety consists of a staff of seven (7) individuals and it occupies approximately twenty-two hundred (2,200) square feet in the Traffic Tribunal building. In anticipation of the questions of the State Properties Committee, Mr. Carcieri explained that there is no room in the State Office Building to accommodate this office. Additionally, there is no prospect of this office relocating with the Court in Cranston, as this office needs to be relatively close to the State Office Building. Mr. Carcieri also indicated that all rental payments are provided by the National Highway Traffic Safety Administration, which are federal funds. Chairman Williams asked if there is any State-owned space available for this office. Mr. Carcieri indicated that the Department of Transportation has exhausted its search of State-owned property. Chairman Williams suggested that as the State of Rhode Island still owns the Veterans Memorial Auditorium building, the Department of Transportation may want to explore the possibility of renting office space in that building. Chairman Williams indicated that parking is not plentiful, however, the Veterans Memorial Auditorium building is close to the State Office Building and the rents are very reasonable. A motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM I – DEPARTMENT OF TRANSPORTATION – A request was made for review and execution of a Purchase and Sale Agreement and a Quit Claim Deed between the Department of Transportation and Farmer's Market, Providence. Mr. Carcieri explained that the Department of Transportation came before the State Properties Committee in March of 2005, and secured the Committee's approval to award the purchase rights to the so-call Farmers' Market to Carpionato Properties, Inc. Carpionato Properties, Inc. was the high bidder in the formal Request for Proposals tendering an offer of 4.5 million dollars for the subject property. It has been two (2) years since that Request for Proposals. This transaction is among the more complex, with which the Department of Transportation has been involved. Both the Federal Highway Administration and the Historical Preservation Commission's review and approval took approximately nine (9) months from beginning to end. Mr. Carcieri indicated that the particular nature of the property, being former rail property, posed some title issues relative to this transaction. Mr. Carcieri stated that the Department of Transportation, in its Memorandum to the Committee, requested approval of and signatures on the Purchase and Sale Contract and the Quit Claim Deed; however, a particular title issue precludes the Quit Claim Deed from being signed at this time. The Purchase and Sale Contract requires Carpionato Properties, Inc. to utilize a certain percentage of its development for so-called affordable housing. The Purchase and Sale Contract eludes to a Memorandum of Understanding between the Department of Transportation, the State Historical Preservation and Heritage Commission, the Narragansett Tribal Council and the Federal Highway Administration, which commits any purchaser of the property to conform to historic covenants. Chairman Williams asked that the title issues be explained to the

State Properties Committee. Mr. Mitchell explained that in 1998 the Department of Transportation acquired five (5) parcels of land along Harris Avenue. The largest of the five parcels of land was 6.5 acres and included a railroad spur, which services the Providence Journal property. The Providence Journal utilizes this portion of the property to transport paper to its printers. The Department of Transportation acquired the land and built a highway ramp to service the Providence Place Mall. The title issues arise because when the Department of Transportation acquired the land from Amtrak, Amtrak maintained an easement on the larger track to maintain and repair the spur railroad track. Unfortunately, the deed by which the Department of Transportation acquired the land did not specify the exact location of that spur railroad track. The land is now totally encumbered by this easement. Obviously, the developer cannot develop the land if there is a blanket easement over this property. The Department of Transportation approached Amtrak and asked them to identify exactly what portion of the land they wished to retain. Amtrak indicated that if the Department of Transportation preserved a strip of land approximately two hundred (200') feet in length along the southern most boundary of the Department of Transportation highway ramp area, than Amtrak would release the blanket easement over the larger area and all the railroad tracks could be removed for development purposes. The Department of Transportation has submitted a description of the land that it believes to be the correct easement to Amtrak. That description is being reviewed by Amtrak's Real Estate Section, but they have not given final approval as of yet. The Purchase and Sale Contract before the State Properties Committee contains a contingency clause that is subject to this blanket easement over the entire area being released by Amtrak. The Department of Transportation is providing multiple easements

to Carpionato Properties, Inc, while retaining maintenance easements over a certain area of the Farmer's Market area and the Dean Street area to maintain and repair the highway overpass. Mr. Mitchell stated that Carpionato Properties, Inc. has invested considerable resources into preparing the survey of the property and are committed to this project. Chairman Williams asked if the City of Providence has received formal notification. Mr. Carcieri indicated the City of Providence has received formal notice and has declined. Ms. Allaire Johnson asked Mr. Mitchell to clarify the circumstances surrounding the difference in the original purchase price and the amount, which the property is now being sold. Mr. Mitchell explained that the original purchase price was Fourteen Million Five Hundred Thousand and 00/100 (\$14,500,000.00) Dollars for the entire area. The current offer is Four Million Five Hundred Thousand and 00/100 (\$4,500,000.00) Dollars. The State of Rhode Island originally purchased a large 6.5 acre parcel of land and then constructed a significant highway ramp structure over it, which decreases not only the acreage, but also the usefulness of this parcel of land. At the time the Department of Transportation purchased the property, the Farmer's Market structure was operational and contained tenants who utilized it on a regular basis. After the Department of Transportation acquire it, those tenants vacated the property and this considerable structure has been vacate and fairly derelict for quite some time. In addition, as part of this transaction with Amtrak, the Department of Transportation and Federal Highway Administration entered into a covenant with the Rhode Island Historical Preservation & Heritage Commission, whereby there is a historic restriction on the property. The restriction requires the developer to preserve and restore a certain building to its historic architectural features. It is a six hundred (600') foot long linear building, which is

extremely difficult to develop because of its structure and the historic development covenant. Furthermore, there is an operational railroad track for which the Department of Transportation has no use, but it still services the Providence Journal building.

Therefore, the buyer must recognize and grant the Providence Worcester Railroad the rights to the easement, which impacts the value of the property. Chairman Williams questioned the provision in the Purchase and Sale Contract, whereby the Seller is responsible for all outstanding real estate taxes, as the State of Rhode Island does not normally pay real estate taxes. Mr. Mitchell indicated the provision could be taken out.

Chairman Williams stated that it is obvious that the value of this property would be greater if the building structure did not exist, although it is his understanding that in accordance with the Historical Preservation easement, Carpionato Properties, Inc. must ensure that the structure is not torn down. Mr. Coates stated that the exact legal language states that anything done by Carpionato Properties, Inc. is subject to the approval of the Rhode Island Historical Preservation & Heritage Commission. Therefore, any plans for the property will require its consent and language to that effect is contained in the Purchase and Sale Agreement. Chairman Williams asked Mr. Coates what Carpionato Properties, Inc.'s intent is with regard to the building. Mr. Coates stated that a development plan has been reviewed by the Rhode Island Historical Preservation & Heritage Commission and they have executed the same. Mr. Coates indicated that a substantial amount of time has passed since the Rhode Island Historical Preservation & Heritage Commission's execution of the agreement, however, that signed development plan is also an exhibit to the Purchase and Sale Agreement. Mr. Coates reiterated that any work done by Carpionato Properties, Inc. relative to this property is entirely at the

discretion and mercy of the Rhode Island Historical Preservation & Heritage Commission. Chairman Williams understood the historical restrictions, however; he is concerned that if the State Properties Committee approves the sale of the property at four million five hundred thousand and 00/100 (\$4,500,000.00) Dollars and then Carpionato Properties, Inc. is allowed to demolish the building, the State of Rhode Island will clearly not have received fair and equitable compensation for the subject property. Mr. Moses, once again, reiterated the significant restrictions placed upon Carpionato Properties, Inc. relative to the development of the property. Chairman Williams indicated it is the responsibility of the State Properties Committee to ensure that the State of Rhode Island receives the best value for the property taking into consideration any and all possible circumstances. Mr. Moses stated that the State of Rhode Island went out to a Request for Proposals and Carpionato Properties, Inc. was in fact the highest bidder. Mr. Moses also stated that the Federal Highway Administration was extremely concerned about the structure and this is why it took nine months to approve the purchase of the property. The Federal Highway Administration evaluated this project and realized that the actions taken by the State of Rhode Island are the cause of the devaluation of the property. Once again, Chairman Williams indicated he does not disagree with any of the points raised by Carpionato Properties, Inc.; however, he believes it would be remiss of the State Properties Committee not to question the developer in regard to its intention with regard to the building, as the value of the property would increase significantly in the event the building is demolished. Mr. Moses indicated that approval of Carpionato Properties, Inc.'s development plan is contingent upon its incorporating the existing structure. Satisfied with Mr. Moses' clarification as to the developer's intention with regard to the



building, Chairman Williams asked if the Committee had any further questions. A motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM J – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request for approval of and signatures on a Conservation Easement between the Department of Environmental Management and the Town of Charlestown, Rhode Island. Mr. Dias explained that the Conservation Easement is for 12.76 acres of land. The Town of Charlestown was awarded a Rhode Island Open Space Grant in 2004, in the amount of 27,125.00 to purchase the Arnold property. The Town of Charlestown will purchase the land from the Arnold family for \$50,000.00. The property was appraised by Lenihan Appraisal Company and valued at \$77,000.00. The Department of Environmental Management's review appraisal valued the property at \$59,000.00. The property is described as Assessor's Plat 12, Lot 131 located on the northerly side of Old Post Road in Charlestown, Rhode Island. The Town of Charlestown is contributing \$22,875.00 toward the purchase price. A motion to approve was made by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM K - DEPARTMENT OF ENVIRONMENTAL MANAGEMENT - A request for approval of and signatures on a License Agreement between the Department of Environmental Management and Interstate Navigation Co. Mr. Faltus explained that this is an annual License Agreement for short-term docking at Fort Adams State Park in Newport, Rhode Island. Interstate Navigation Co. has been using the northern side and end of Pier No. 3 at Fort Adams State Park to provide short term docking space for the

embarking and disembarking of a ferry running between Newport, Rhode Island and Block Island, Rhode Island. The License will run from July 1, 2006, up to and including September 4, 2006 and the License fee will be \$9,700.00. The Department of Environmental Management is seeking to renew the License Agreement for the 2006 season. A motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM L - DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request for approval of and signatures on a License Agreement between the Department of Environmental Management and the City of Newport to utilize the north end of Fort Adams State Park in Newport, Rhode Island for its annual Fourth of July fireworks display on July 4, 2006, with a rain date of July 5, 2006. The Department of Environmental Management has had no problems with this event in the past. The City of Newport has provided the Department of Environmental Management with the necessary insurance listing the State of Rhode Island as an additional insured. As the Department of Environmental Management is awaiting an approved fireworks permit application and permit from the City of Newport, Mr. Faltus asked that the State Properties Committee approve the License Agreement subject to the City of Newport providing the Department of Environmental Management with the necessary permits. A motion was made to approve subject to the City of Newport providing the Department of Environmental Management with the necessary permits by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM M - DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request for approval of and signatures on an Indenture of Lease from Benjamin Carpenter to his son David W. Carpenter for the Carpenter Unit at the South Shore Management Area located east of Matunuck Beach Road in South Kingstown, Rhode Island. Mr. Tefft explained that the Department of Environmental Management is seeking approval of the transfer of a farm lease from Benjamin Carpenter to David W. Carpenter. David Carpenter will fulfill the expired term of the farm lease of his deceased father. Mr. Carpenter has provided the Department of Environmental Management with an insurance certificate naming the State of Rhode Island as an additional insured. Ms. Allaire Johnson indicated that she did not receive a copy of the Indenture of Lease. Ms. Allaire Johnson clarified that the son is assuming the existing Indenture of Lease and that the terms and conditions have not changed. Mr. Tefft indicated that the terms and conditions of the Indenture of Lease have not changed. A motion to approve the Indenture of Lease subject to review by the Department of the Attorney General was made by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

Mr. Tefft asked Ms. Allaire Johnson if the Department of Attorney General received copies of the other leases he is presenting to the Committee. Ms. Allaire Johnson indicated she did not receive copies of any of the leases. However, Ms. Allaire Johnson assumed the remaining leases are the same. Mr. Tefft indicated that the remaining leases are not transfers; they are new leases. Ms. Allaire Johnson clarified that the language of the leases were virtually the same with the exception of the names and parameters. Mr. Tefft indicated the remaining leases are the same and the language

contained in the leases is standard language used by the Department of Environmental Management.

ITEM N – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request for approval of and signatures on an Indenture of Lease for Jeffrey Farrell for two parcels of land located west of Moonstone Beach Road and north of Matunuck Schoolhouse Rhode in South Kingstown, Rhode Island. Mr. Tefft explained that the Department of Environmental Management came before the State Properties Committee in February of 2006, requesting approval to seek bids on 45 acres of State-owned property in the Matunuck/ South Kingstown area for the purpose of raising agricultural crops. The property is known as the Cheeseman parcel (Field 4 approximately 21 acres) and Whitford parcel (Field 5 approximately 24 acres) in the South Shore Management Area. The rental fee is determined through a competitive bid process. The individual who bids the highest amount and meets the basic criteria for the program is awarded the bid. The bid has been awarded to Jeffrey Farrell for an annual rental fee of \$3,195.00 (\$71.00 per acre). The term of the lease is five (5) years (limited to the period of March 1<sup>st</sup> to November 1<sup>st</sup> annually). Mr. Farrell has provided an insurance certificate naming the State of Rhode Island as an additional insured. A motion was made to approve the Indenture of Lease subject to review by the Department of Attorney General by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM O – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request for approval of and signatures on an Indenture of Lease for Oliver Cottrell for twenty-three (23) acres of land known as the Ford parcel located east of Matunuck Beach

Road in South Kingstown, Rhode Island. Mr. Tefft explained the Lessee shall utilize the property for the purpose of raising and harvesting agricultural products. The rental fee is determined through a competitive bid process. The individual who bids the highest amount and meets the basic criteria for the program is awarded the bid. The bid has been awarded to Oliver Cottrell for an annual rental fee of \$1,725.00 (\$75.00 per acre). The term of the lease is five (5) years (limited to the period of March 1<sup>st</sup> to November 1<sup>st</sup> annually) with an option to renew for three (3) additional years. Mr. Cottrell has provided an insurance certificate naming the State of Rhode Island as an additional insured. A motion was made to approve the Indenture of Lease subject to review by the Department of Attorney General by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM P - DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request for approval of and signatures on an Indenture of Lease for Oliver Cottrell for a total of approximately six (6) acres of land on the Liberty parcel located at the intersection of Liberty Lane and Great Neck Road at the Great Swamp Wildlife Management Area in West Kingstown, Rhode Island. Mr. Tefft explained the Lessee shall utilize the property for the purpose of raising and harvesting agricultural products. The rental fee is determined through a competitive bid process. The individual who bids the highest amount and meets the basic criteria for the program is awarded the bid. The bid has been awarded to Oliver Cottrell for an annual rental fee of \$120.00 (\$20.00 per acre). The term of the lease is five (5) years (limited to the period of March 1<sup>st</sup> to November 1<sup>st</sup> annually). Mr. Cottrell has provided an insurance certificate naming the State of Rhode Island as an additional insured. Chairman Williams asked why the rental

fee for this parcel of land is so much less. Mr. Tefft indicated the parcel is small. In addition, Mr. Cottrell paid \$100.00 per acre last year, which is well above the average price per acre and bid much lower this year. Mr. Cottrell was actually the only bidder for this property. Mr. Tefft indicated the primary purpose of these farm leases is to keep the land in farming and is not a profit motivated issue. A motion was made to approve the Indenture of Lease subject to review by the Department of Attorney General by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM Q – COMMISSION OF HUMAN RIGHTS – A request for conceptual approval to initiate negotiations with the principals of Dorwest Associates, LLC in conjunction with the lease renewal option. Ms. McCarthy Tuohy explained that this lease was for a term of five (5) years with Dorwest Associated, LLC for property located 180 Westminster Street, Providence for the Commission of Human Rights. The original lease contained an option to renew the lease for five years. The space consists of approximately 9,900 square feet at the rate of \$17.95 per square foot. Mr. Griffith asked if the Commission of Human Rights is requesting conceptual approval to negotiate a renewal of the lease. Mr. Gaschen indicated that is correct. A motion to approve was made by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM R – DEPARTMENT OF CORRECTIONS – A request for permission to initiate negotiations with Paolino Properties in conjunction with recent Request for Proposals (LP 106). Ms. McCarthy Tuohy explained that there have been several attempts at the Request for Proposals process to find available space for the Adult

Probation and Parole Unit. During the most recent Request for Proposals, three proposals were received and were all from Paolino Properties, Inc. The property which most interested the Department of Corrections is located at 21 Reservoir Avenue, Providence, Rhode Island. The space consists of approximately 3,000 square feet. Mr. DelFino explained that the location of the building is in an area, which a very high percentage of the parolees live. Chairman Williams asked if Paolino Properties, Inc. proposed a lease rate. Mr. DelFino indicated that this site is actually the most reasonable of the three proposals. Additionally, the other two sites are located on Westminster Mall and the parking is quite a distance from the site. The necessary parking for the staff would increase the price dramatically. The Reservoir Avenue property has plenty of on-site parking. Chairman Williams stated that it is helpful when the State Properties Committee is provided with a summary of how the bids came in so the Committee can review all of the information. Ms. McCarthy Tuohy indicated she would mention this to Mr. Ryan and a summary would most likely be available by the special meeting on Friday, June 23, 2006. A motion to approve was made by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM S - DEPARTMENT OF ADMINISTRATION – A request for permission to utilize the State House and the State House grounds for the 29<sup>th</sup> Annual Heritage Festival on Saturday, September 30, 2006, with a rain date of Sunday, October 1, 2006. Mr. Griffith asked Ms. Monteiro if a certificate of insurance has been provided to the Department of Attorney General. Ms. Allaire Johnson indicated that she had not received a certificate of insurance. Ms. Monteiro explained that the insurance does not begin until August 2006 therefore, a certificate of insurance will not be available until that time. Ms.

Monteiro stated that as soon as she obtained the certificate of insurance, she would provide it to the Department of Attorney General. A motion was made to approve subject to the Department of Attorney General receiving the insurance certificate by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

The Committee moves to go into Executive Session, pursuant to Rhode Island General Law 42-46-4(a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purpose, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public.

ITEM E1 - DEPARTMENT OF TRANSPORTATION - A request was made for approval to acquire twenty-two (22) acres of land for the Apponaug Circular Improvement Project in the City of Warwick. After discussion in Executive Session, a motion to approve was made by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM E2 - DEPARTMENT OF TRANSPORTATION - A request was made for approval to acquire land for the replacement of the Sakonnet River Bridge located in Tiverton. After discussion in Executive Session, a motion to approve was made by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM E3 - DEPARTMENT OF TRANSPORTATION - A request was made for authorization to acquire 66,142 square feet of land for the construction of the Wickford Junction Train Station in the Town of North Kingstown. After discussion in Executive



Session, a motion to approve was made by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

There being no further business to come before the State Properties Committee, the meeting was adjourned at 11:59 a.m. A motion was made to adjourn by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

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Holly H. Rhodes, Executive Secretary